State of Connecticut

Office of Consumer Counsel

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The Energy and Technology Committee
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S.B. 1133, AAC INNOVATIVE ENERGY TECHNOLOGIES

Testimony of Mary J. Healey, Consumer Counsel
Presented by Victoria Hackett

The Office of Consumer Counsel (OCC) has carefully reviewed S.B. 1133, AAC Innovative Energy Technologies, and has concerns about it. OCC would rather see this bill revised into a study on voltage regulation technologies by the DPUC or, in the alternative, reviewed through the existing Electric Efficiency Partners Program.

This Bill would promote "qualified voltage regulation technologies" with the goal of reducing energy consumption and improving grid efficiency. While these are undoubtedly worthy goals, OCC is concerned about the means that this bill would use to achieve them. The Energy Conservation Management Board (ECMB), as overseen by the Department of Public Utility Control (DPUC), has the expertise to develop an appropriate incentive for corporate purchases of qualified voltage regulation technologies. Instead of using this expertise and developing an appropriate incentive, this bill would give the corporation the voltage regulation technology for free using the limited resources of the Conservation and Load Management ("C&LM") Fund. The bill would further allow the corporation to keep 100% of the resulting savings rather than requiring the corporation to pay back at least some of the public's funds over time. Finally, ECMB is not given any say as to how the money for voltage regulation technologies is used, nor is there any cap on how much of C&LM's Funds could be used for voltage regulation technologies. The absence of any such cap could of course impinge on the ability to plan for and fund other worthwhile programs developed by the ECMB using the C&LM Fund.

Again, OCC would recommend that this bill be revised to promote a study by ECMB and/or DPUC of voltage regulation technologies if the Legislature believes that these technologies are being under-utilized. Alternatively, OCC suggests that this technology could be proposed under the Electric Efficiency Partners Program application process.